

# State of South Dakota

SEVENTY-FOURTH SESSION  
LEGISLATIVE ASSEMBLY, 1999

593C0298

## SENATE BILL NO. 185

Introduced by: Senators Moore, Hutmacher, Kloucek, and Olson and Representatives Haley, Brown (Jarvis), Cerny, Crisp, Fischer-Clemens, Kooistra, Michels, Volesky, and Waltman

1 FOR AN ACT ENTITLED, An Act to establish the pork processing loan fund and to make an  
2 appropriation therefor.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. The pork processing loan fund is established in the state treasury. Money in the  
5 fund is continuously appropriated to the Value Added Finance Authority for the purpose of  
6 making interest free loans to construct pork processing facilities in South Dakota. Interest  
7 earned on money in the fund and repayment of loans from the fund shall be credited to the fund.

8 Section 2. There is hereby appropriated from the revolving economic development and  
9 initiative fund the sum of ten million dollars (\$10,000,000) to the pork processing loan fund.

10 Section 3. The Value Added Finance Authority shall review applications to and make loans  
11 from the pork processing loan fund.

12 Section 4. Only producers, investors, or cooperatives from South Dakota may apply to the  
13 Value Added Finance Authority for a loan from the pork processing loan fund. Each applicant  
14 shall be sponsored by a bank, small business development center, or economic development  
15 corporation. Loans from the pork processing loan fund are limited to one half the cost of  
16 constructing and equipping the pork processing facility.

1       Section 5. No out of state interest may invest in or manage a pork processing facility financed  
2       by the pork processing loan fund. The loan shall be repaid within ninety days if any person who  
3       invests in a pork processing facility that receives a loan from the pork processing loan fund  
4       moves out of South Dakota.

5       Section 6. A pork processing facility that receives a loan from the pork processing loan fund  
6       may only process hogs raised in South Dakota. However, the facility may process hogs raised  
7       in other states if the facility has excess slaughter capacity. The facility may not process hogs  
8       raised outside the United States.

9       Section 7. All pork processed at a facility that receives a loan from the pork processing loan  
10      fund shall be labeled, sold, and marketed as a product of the United States of America.